

FINAL BILL REPORT

E2SHB 2021

PARTIAL VETO C 215 L 09 Synopsis as Enacted

Brief Description: Revitalizing student financial aid.

Sponsors: House Committee on Education Appropriations (originally sponsored by Representatives Kenney, Probst, Wallace, Sullivan, Priest, Maxwell, Chase, Ormsby, Hudgins, Jacks, Lias, White, Sells, Morrell, Kelley, Darneille, Wood and Roberts).

House Committee on Higher Education
House Committee on Education Appropriations
Senate Committee on Higher Education & Workforce Development
Senate Committee on Ways & Means

Background:

State Work Study Program.

The State Work Study (SWS) program provides part-time work opportunities to needy students, enabling them to earn money for college often while gaining experience in jobs related to their career goals. The SWS program also provides students with an alternative to high levels of borrowing. The state's two- and four-year colleges and universities, and many accredited independent four-year colleges and universities, offer this form of financial assistance to eligible students.

Educational Opportunity Grant.

The Educational Opportunity Grant (EOG) program provides \$2,500 grants to encourage financially needy students to complete a bachelor's degree. Students must be Washington residents, have already earned an associate of arts or sciences degree, and be "placebound." To be considered placebound, students must be unable to continue their education – without the assistance of this grant – because of family or work commitments, health concerns, financial need, or other similar factor.

Summary:

Rebranding.

This analysis was prepared by non-partisan legislative staff for the use of legislative members in their deliberations. This analysis is not a part of the legislation nor does it constitute a statement of legislative intent.

The public institutions of higher education must label the state subsidy per student, under the umbrella term of "Opportunity Pathway" on the tuition billing statement. In addition, the institutions must label all types of financial aid under the umbrella term of "Opportunity Pathway" on the tuition billing statement or the financial aid award letter. This includes aid from all sources including federal, state, and local governments, local communities, nonprofit and for-profit organizations, and institutions of higher education. Federal student loans and aid not included in the financial aid awarded through the institution are exempted from the labeling requirements. The tuition billing statement must also notify resident undergraduate students of any higher education tax credits for which they may be eligible. The institutions retain the ability to customize their tuition billing statements and financial aid award letters to differentiate between programs and provide the clearest information to students; however, all tuition billing statement notifications must be in 12-point font.

Program Consolidation.

The Educational Opportunity Grant (EOG) program is phased out over a period of two years. No new awards are allowed, but current recipients are held harmless and receive their full award. Subject to decisions made in the state operating budget, funding for the EOG program may be appropriated to the State Need Grant to provide an enhanced need grant for placebound students who have earned an associate degree. The EOG program is removed from statute effective August 1, 2011.

Outreach.

The Higher Education Coordinating Board (HECB) must label all student financial assistance programs that they oversee under the umbrella term of "Opportunity Pathway." This includes all printed materials, presentations, and web content. Loans provided by the federal government and aid granted to students outside of the financial aid package provided through institution of higher education do not need to be labeled an opportunity pathway. If a web-portal is created that provides a "one-stop shop" for college-going information, all financial aid must be listed underneath the "Opportunity Pathway" label, except for federal loans and non-institutional aid. The website must also contain information about any federal higher education tax credits for which students may be eligible. The HECB retains the ability to customize the display to differentiate between various loan programs.

Changes to the State Work Study Program.

The HECB must award competitive grants to colleges and universities that develop partnerships with local firms in high demand industries. The firms must offer a job placement in a high demand field for at least one academic term. "High demand" may be determined for the state or a sub-state region. Funding may be used for wages and program administration.

Institutional Aid for Dual Credit Programs.

Colleges and universities may use their institutional aid funds for students in dual credit programs. The governing boards of the baccalaureate institutions and the SBCTC must adopt

rules to administer the funds. The money may be used for all educational expenses including tuition, fees, course materials, and transportation.

Higher Education Loan Program.

The Washington Higher Education Loan Program (HELP) is created. The HECB is in charge of program administration and must create a program that would allow students to borrow at low interest rates, offer conditional loans that could be forgiven in exchange for service, and offer emergency loans until other state or federal funding could be secured. The HECB must also determine loan repayment obligations, publicize the program, and accept public and private contributions. The HECB must also work with the State Board for Community and Technical Colleges, the Workforce Training and Education Coordinating Board, and students to periodically assess program needs.

Votes on Final Passage:

House	62	34	
Senate	38	9	(Senate amended)
House	64	34	(House concurred)

Effective: August 1, 2009

Partial Veto Summary: Vetoes section 11 that limits non-resident student participation in the state Work Study Program to 15 percent or a lesser amount specified in the state operating budget. This language duplicates changes to the state Work Study Program made in Substitute Senate Bill 5044.